THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) Scheduled Private Airlines have been operating services since early nineties. Passengers have benefited from the increased competition through increased connectivity, better standards of services and lower tariffs.

Waiver of interest on drought affected areas

*191. SHRI NANDI YELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether he in a meeting held on 10th February 2005 agreed to extend the waiver of interest for the last four years to continuous drought affected farmers in Andhra Pradesh as they are not able to repay the instalments of loans taken from the financial institutions due to non-availability of water in Krishna basin and due to non-availability of power;

(b) if so, whether Government would issue necessary and relevant orders immediately for the agreed waiver of interest; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) In a meeting with Chief Minister of Andhra Pradesh on 10.02.2005, *inter-alia*, the conditions of farmers in debt and distress was discussed. It was indicated that Government was seized of the matter and that it had already announced, on June 18, 2004, certain measures for improving the flow of credit to agriculture and to provide relief to the farmers.

The salient features of these measures are:

Restructuring of debts by Commercial Banks, Regional Rural Banks and cooperatives have been undertaken for farmers in distress, farmers in arrears and OTS for small and marginal farmers as per details below:—

1. *Farmers in distress, i.e.* those who have suffered production and income loss on account of successive droughts, floods and other calamities in districts declared as calamity affected by the State Government concerned, to be given debt relief and their debts

rescheduled/restructured. Interest outstanding to be clubbed with principal outstanding as on 31st March 2004, and the amount thus arrived to be repaid over a period of 5 years at current interest rates, including a moratorium of 2 years.

2. *Farmers in arrears, i.e.* those who have become ineligible for fresh credit as their earlier debts have been categorized as sub-standard or doubtful, to be given debt relief in the form of rescheduling of loans in default so that such farmers will become eligible for fresh finance.

3. *OTS for small and marginal farmers*—A one time settlement scheme for defaulting small and marginal farmers who have become ineligible for fresh credit from lending institutions to enable them to settle their accounts in a transparent manner and thereafter access fresh credit.

4. Assistance to the extent of Rs. 11710 crore has been provided under debt relief to farmers in distress, arrears and through OTS as on 31st March 2005. In 2005-06, Rs. 558 crore has been provided as debt relief till May, 2005.

5. Farmers who face acute distress because of the heavy burden of debt from non-institutional lenders (*e.g.* Money lenders) were given advance loans by banks to provide them relief from indebtedness. 16758 farmers indebted to informal sources have been provided assistance of Rs. 57 crore as on 31st March 2005.

Qualification of insurance surveyors

*192. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is proposed to make only Chartered Accountants and Engineers to qualify as insurance surveyors;

(b) if so, the details thereof; and

(c) what will happen to the existing insurance surveyors who are not Engineers or Chartered Accountants?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Insurance Regulatory and Development Authority (IRDA), which grants licence to surveyors, has reported that there is no proposal to make only Chartered Accountants and Engineers eligible to qualify as insurance surveyors.

(b) and (c) Do not arise.